

DEPARTMENT OF FINANCIAL INSTITUTIONS
MINUTES OF MEETING
DECEMBER 10, 1992 9:00 AM EST

The Members of the Department of Financial Institutions met at 9:00 a.m., EST, at 402 West Washington Street, Room W-066, Indianapolis, Indiana, on Thursday, December 10, 1992. Members present were Messrs. Mark Hasten, presiding, W. Paul Wolf, Norman Lowery, Douglas Grant, and Mrs. Dee Godme. Also present from the Department were Director Charles W. Phillips, John E. Simmonds, Deputy Director; John P. Goddard, Legal Counsel; James M. Cooper, Administrative Assistant, Mergers and Acquisitions; Randall L. Rowe, Bank Supervisor; Eric Roberts, Bank Analyst; Mark A. Powell, Supervisor, Credit Unions; Robert E. Haler, Supervisor, Consumer Credit Division, Maurice V. Beavers, Field Supervisor, Consumer Credit Division; John R. Thompson, Consumer Credit Division; and Janice L. Davis, Executive Secretary. Messrs. Deutsch and Leitch were absent.

I. PUBLIC SESSION

- A.) Attendance
- B.) Date of next meeting: January 14, 1993, at **9:00 a.m. EST.**
- C.) A motion was made for approval of the minutes of the meeting held November 12, 1992, by Mr. Grant, and seconded by Mr. Wolf. The minutes were unanimously approved.

DIVISION OF BANKS AND TRUST COMPANIES

- 1.) **GAB BANCORP, JASPER, DUBOIS COUNTY, INDIANA.**
An application has been filed by GAB Bancorp pursuant to I.C.28-2-14 for approval to acquire control of Winslow Bancorporation, Inc., Winslow, Pike County, Indiana, and thereby indirectly acquire its bank subsidiary, South Western Indiana National, Winslow, Pike County, Indiana. A motion for approval was made by Mr. Grant and seconded by Mr. Wolf. The acquisition was unanimously approved.
- 2.) **SOUTH WESTERN INDIANA NATIONAL, WINSLOW, PIKE COUNTY, INDIANA**
A plan of conversion has been filed on behalf of South Western Indiana National, Winslow, Pike County, Indiana, by GAB Bancorp, Jasper, DuBois County, Indiana, to convert the bank to a state-chartered bank. The resulting state-chartered institution is to be known as **South Western Indiana Bank, Winslow, Pike County, Indiana.** The conversion is to be consummated immediately following the acquisition of South Western Indiana National by GAB Bancorp. A motion for approval was made by Mr. Grant and seconded by Mr. Wolf. The acquisition was unanimously approved.

DIVISION OF CONSUMER CREDIT

- 1. Mr. Howard Cohen of Locke, Reynolds, Boyd & Weisell representing Huntington National Bank of Indiana, requests that the Department of Financial Institutions make a determination as to the benefit to buyers and debtors of a debt cancellation charge and the reasonableness of that charge in relation to the benefits. Sections 2-202(1)(c) and 3-202(1)(e) of the Code (I.C. 24-4.5-2-202(1)(c) and 3-202(1)(e) were recently amended to permit sellers and lenders to impose additional charges on sale and loan

transactions under the Code that are not otherwise specified, after determination by the Department that the charges would be of benefit to the buyer and is reasonable in relation to the benefits. Huntington National Bank of Indiana makes this request as both a lender, and in its capacity as a "seller" under the Code when it acquires retail installment contracts containing the charges. This item was discussed at the November 12, 1992 Members Meeting. A motion was made to vote on this request after more information was obtained. Mrs. Godme made a motion for approval of the debt cancellation coverage pursuant to the Uniform Consumer Code, and providing that the cost of this coverage with Huntington Bank should not exceed \$270.00. The Department of Financial Institutions reserves the right to revoke its decision at any time. The motion was seconded by Mr. Grant and was approved. Mr. Lowery abstained from voting on this item.

2. A review of relative information and findings regarding an examination and follow up of Budgeteers, Inc. d/b/a American Budget Counselor's located in Merrillville, Indiana. A motion was made by Mr. Wolf to give the Attorney General's Office permission to send a letter to Budgeteers, Inc. requiring them to comply with the Department's previous requests.

DIRECTOR'S COMMENTS AND REQUESTS

- A.) The Director advised the Members of actions taken pursuant to delegated authority, which were as follows:

DIVISION OF BANKS & TRUST COMPANIES

1. **COMMUNITY BANK, SUMMITVILLE, MADISON COUNTY, INDIANA**
The bank submitted a request for permission to establish a branch banking office which will be know as the "Plaza Branch" and will be located at 2370 E. Conner Street, Noblesville, Hamilton County, Indiana. The request was approved by the Director under delegated authority on December 4, 1992.
2. **CENTIER BANK, WHITING, LAKE COUNTY, INDIANA**
The bank submitted a request for permission to establish a branch banking office which will be located at 103 Broadway, Chesterton, Porter County, Indiana. The request was approved by the Director under delegated authority on December 4, 1992.
3. **CENTIER BANK, WHITING, LAKE COUNTY, INDIANA**
The bank submitted a request for permission to establish a branch banking office which will be located at 1600 S. Calumet Road, Chesterton, Porter County, Indiana. The request was approved by the Director under delegated authority on December 4, 1992.

DIVISION OF CONSUMER CREDIT

1. A request for approval of a Currency Exchange License was made by Currency Express, Inc. In lieu of providing a financial statement the applicant has elected to furnish a surety bond in an amount that is double that required. The request was approved by the Director under delegated authority on December 2, 1992.
2. A request for approval of a Lenders License was made by Columbus Transportation, Inc. d/b/a Practical Loan. The license is to be located in Columbus, Indiana. The request was approved by the Director under delegated authority on December 2, 1992.

3. A request for approval of a Lenders License was made by Baytree Mortgage & Financial Services, Inc. The license is to be located in Noblesville, Indiana. The request was approved by the Director under delegated authority on December 2, 1992.

DIVISION OF CREDIT UNIONS

1. East Chicago Teachers Credit Union, East Chicago, Lake County, Indiana, requested approval of a Petition for Approval of Proposed Amendment To the Articles of Incorporation. This amendment would place the following persons into the field of membership of the credit union:

Employees of the East Chicago Teachers Credit Union.

The request was approved by the Director under delegated authority on October 28, 1992.

2. Jet Credit Union, Indianapolis, Marion County, Indiana, requested approval of a Petition for Approval of Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership:

Special Dispatch, Inc. - Indpls. - 50 members
Moriden America, Inc. - Indpls. - 13 members
Master Machine Corp. - Indpls. - 14 members
Kesler-Schaefer Wholesale Auto Auction, Inc. - Indpls. - 80 members
Speedway United Methodist Mens Group - Speedway - 75 members
Mercury Finance Co. of Indiana - Indpls. - 30 members
Acetylene Products Co. - Speedway - 75 members
Connection Point - Indpls. - 2 members
Hinton Marketing Services - Nashville - 1 member
Rund Express - Indpls. - 60 members
Hensen Agency, Inc. - Brownsburg - 2 members
McClain Matthews Insurance - Indpls. - 4 members

The request was approved by the Director under delegated authority on November 19, 1992.

3. Teachers Credit Union, South Bend, St. Joseph County, Indiana, requested approval of a Petition for Approval of Proposed Amendment To the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Lindsey Rogers 24 Hour Floor Service - Lebanon - 4 members
Christian Life Fellowship Assembly of God - Granger - 25 members
Fish Lake Country Store, Inc. - Walkerton - 4 members
Automated Metal-Cal, Inc. - Mishawaka - 14 members
Owens-Corning Resins & Coatings Div. - Valparaiso - 100 members
Specialty Cartage, Inc. - Huntington - 13 members
Bennett Industries, Inc. - Valparaiso - 90 members
H. Theodore Noell & Associates - South Bend - 2 members
Grace Village Retirement Community - Winona Lake - 110 members
Canterbury Place - Valparaiso - 80 members
First Christian Church of Mishawaka - Mishawaka - 250 members
Cartridge Connection Corp. - Indpls. - 47 members
Super "K" Corp. - Indpls. - 17 members
Financial Security, Inc. - Mishawaka - 6 members
Karle Grain & Trucking, Inc. - Crawfordsville - 17 members
Janitors & Maids of America Services - Indpls. - 10 members

Miller Medical Systems, Inc. - Indpls. - 65 members
Action Management, Inc. - South Bend - 47 members
Goshen College - Goshen - 260 members
Rockwell Window Co., Inc. - Knox - 150 members

The request was approved by the Director under delegated authority
on December 2, 1992.

APPROVED:

ATTEST:

Mark Hasten, Chairman

J. Philip Goddard, Secretary